Aalto University
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COMPARISON OF PERCEPTIONS OF INTERNATIONAL AND LOCAL PREMIUM PRIVATE LABELS

A Qualitative Exploration of Premium Private Labels' Brand Equity in Finland

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International Business
Bachelor's Thesis
Supervisor: Maria Elo
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ABSTRACT OF
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Objectives
The main objectives of this study were to compare perceptions of international and local premium private labels in terms of brand equity, to find out brand equity dimensions for premium private labels, and to find out what types of effects the country of origin of a premium private label has on consumer-based brand equity.

Summary
Due to ever-increasing globalization and technological development, the retail industry around the world is going through important changes. One of the most important strategies for retailers is to differentiate themselves from other retailers by offering products that are not sold anywhere else. In past decades, it was a commonly held belief that exclusively sold private labels are the best strategy of gaining differentiation. However, it was soon realized that cheap prices and mimicking products are not enough for differentiation – the only private label capable of delivering differentiation between retailers was found to be premium private labels, which refers to private labels that are of superior quality and sold at higher prices.

Conclusions
The main findings of this study can be divided into three sections. First, consumers' overall perceptions of local premium private labels tend to be more favorable compared to international premium private labels. Local premium private labels were perceived to be a safe, reliable and clean choice, thus being able to enjoy a price premium. Second, store image was found to be one of the most important determinants for the price premium of premium private labels, and it was added as the sixth dimension of consumer-based brand equity of premium private labels. Lastly, country-of-origin had clear effects on consumer-based brand equity as the local origin of a premium private label clearly increased consumers' willingness to pay a price premium.

Key words: *private labels, premium private labels, brand equity*

Language: English
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1. INTRODUCTION

Due to the continuous technological development, structural changes in retailing, changing demographics and ever-increasing globalization, the grocery store business around the world have had strong changes during past decades (Paavola et al., 2009). Currently, the retail industry is facing many emerging trends, such as online -shopping and the increased demand for delivery services regarding groceries. In addition to traditional retailers, new players such as Amazon have also entered into the grocery store business, offering services especially for those consumers who are willing to purchase their grocery products online using home delivery options. However, even though retailers have put a lot of effort on developing online shopping options and are continuously trying to develop more efficient ways how to deliver groceries, online shopping is still having a marginal role in retailing all over the world.

Changing trends and ever-increasing competition within the field of retailing have forced retailers to put effort on how to differentiate themselves from each other. A widely used approach to differentiation has been the development of private labels, which are brands sold exclusively through retailers’ own outlets. Private labels, which once were just an emerging trend, have gained a stable foothold in retailing especially in Western countries during past decades, and currently all major retailers in Western countries are offering a wide selection of private labels for consumers to choose from. In addition, retailers have increased the variability of private labels by pricing private label brands differently, which have been their strategy to better meet consumers’ different requirements. The recent private label development has strongly focused on increasing the quality of the products using especially created premium private labels, which are competing with the highest-quality brands having a similar or even higher quality and price.

1.1 Background

The Finnish grocery trade is one of the most concentrated in the world and clearly the most concentrated in Europe, since the two main retailers, S-Group and Kesko, together control 83,4% of the market share of grocery trade sales (Finnish Grocery Trade Association PTY, 2017). However, even though the concentration of markets can be regarded to be one of the most important factor for the success of private labels, they are not as popular in Finland compared to many parts in Europe. For example, private label consumption in Finland is currently 25% compared to the United Kingdom and France, where private labels control the share of 30-40% (Finnish Grocery Trade Association PTY, 2017). One of the reason behind this result is the slow development of private labels in Finland, since both Kesko and S-Group have introduced relatively slowly new private labels into their stores. The most recent private labels launched by S-Group and Kesko are K-menu and Kotimaista, both introduced in 2014. K-Menu was launched by Kesko and it was targeted to price-sensitive consumers, whereas Kotimaista, which was launched by S-Group, was targeted to consumers that want to purchase home-country origin products (the name of the private label referring to a domestic origin). However, the catalog of private labels available in Finland has remained relatively small compared to other countries.

Premium private labels, even though representing only one private label category, are currently judged to be the most important private labels a retailer can have (Huang & Huddleston, 2009). Since the main goal for retailers is to differentiate themselves from their competitors, premium private labels have been seen as a strategy to differentiate retailers from each other by giving consumers a reason to choose one retailer over another (Kumar & Steenkamp, 2007). Despite the recognized importance of premium private labels in retailing, premium private labels have had a weak representation in Finland. Kesko introduced its first premium private label in 2008, whereas S-Group that controls most of the market share in Finnish retailing introduced its first private label in 2017. Instead of following Kesko's footsteps and creating a premium private label sub-brand, S-Group announced that it would began to cooperate with a British multinational grocery retailer Tesco, introducing multiple products mainly from Tesco's "Free From" and "Finest" premium private label categories (Akkanen, 2017). By cooperating with Tesco, S-Group introduced its first premium private label using international premium private label instead of creating own.

Since the existence of premium private labels in Finland have been rather weak compared to other European countries, it is important to investigate this phenomenon further since all the major retailers are now offering premium private labels in Finland. In addition to S-Group and Kesko, Lidl and Stockmann are also offering premium private labels; Lidl offering ‘Deluxe’ and Stockmann ‘Gourmet’ and ‘Delicatess’. However, the market share controlled by Lidl and Stockmann is very low compared to Kesko and S-Group; Lidl’s market share of grocery trade sales in Finland is currently 9,3%, whereas Stockmann’s market share is only 1% (Finnish Grocery Trade Union PTY, 2017).

1.2 Research Problem

During the past years, one specific area of consumption in the retail industry in Western countries has had a strong, continuous growth: consumption of private labels. The trend has also emerged in Finland, where the consumption of private labels has more than doubled within ten years (Finnish Grocery Trade Union PTY, 2017). Globally, private labels are one of the most important trends in retailing and their importance is estimated to even be increased in the future, since private labels are not only expanding their market share within the retail industry but also expected to expand themselves into other industries.

Private labels are important for retailers, because by offering a wide range of private labels they can differentiate themselves from their competitors while also earning good margins (Keller, 2013). Nowadays, private labels are not only developed for those consumers who seek the cheapest prices, but also for those consumers who value other attributes such as quality, innovation and value. Therefore, retailers are increasingly focusing on creating premium private labels, which are often superior in quality compared to other options available while also priced high.

This thesis will focus on investigating a specific area of private labels industry that have earned very little attention in academic research: the differences of consumer perceptions between international premium private labels and local premium private labels and the brand equity dimensions for premium private labels. Since the country of origin of a brand can have a significant impact on consumers’ perceptions, it is important to take into account the country of origin of a premium private label and thus distinguish private labels in terms of international and local origin of the brand.

1.3 Research Questions

Private labels are becoming more and more important for retailers, and the importance of them is even increasing in the future. Retailers are putting a lot of effort on enhancing private labels' brand equity in order to make them attractive for consumers, not only by offering cheap options but also by creating premium brands, which offer superior quality at high price.

1. What are consumers' perceptions of international premium private labels?
2. What are consumers' perceptions of local premium private labels?
3. What are possible differences between perceptions of international and local premium private labels?
4. What are the brand equity dimensions for premium private labels?

1.4 Research Objectives

1. To understand how consumers perceive premium private labels in terms of brand equity.
2. To find out effects of country of origin of premium private labels.

2. LITERATURE REVIEW

2.1 Introduction

This literature review introduces the relevant definitions and concepts related to private labels, premium private labels and brand equity. The aim is to present available research, express critical views on existing research and explain concepts related to the topic. Present research regarding premium private labels and their strategic positioning and importance in today's retailing from business-to-consumer perspective are explained. After that, this literature review will go through the dimensions of consumer-based brand equity, including relevant research concerning private labels and brand equity. The aim of this study is to gain understanding of consumers' perceptions of premium private labels, and therefore the direction of this study is customer-based brand equity. Lastly, a conceptual framework is presented.

2.2 Private Labels

2.2.1 Definition

Private labels, often also called own labels and store brands, are brands owned, created and controlled by retailers and sold through their own outlets (Keller, 2013; Kumar & Steenkamp, 2007). Private labels can be sold under a retailer's own name or under a name a retailer have specifically created for a private label (Sayman & Raju, 2015).

According to Kumar & Steenkamp (2007), private labels can be categorized into four categories: generics, copycats, premium private labels and value innovators. Private labels have traditionally mainly consisted of generics and copycats, whose strategy have been based on mimicking national brands instead of creating distinctive and innovative products. Currently, two relatively new product categories in private label industry, premium private labels and value innovators, are gaining increasing importance. (Kumar & Steenkamp, 2007; Huang & Huddleston, 2009).

Private labels have a significant contribution in retailing in all Western markets, since in many countries the level of private label penetration is over 40 percent (Boyle & Lathrop, 2013). However, differences occur between countries. Private labels are enjoying the highest popularity in Western countries, especially in Europe, due to advanced retail systems, high retail concentration and the expansion of the discount format (Dimitrieska et al., 2017; Nielsen, 2014). On the contrary, private label penetration is low in developing world, including Latin America, Africa, Middle East and Asia (Nielsen, 2014). According to Nielsen (2014), these countries have much more brand -loyal consumers compared to Western countries, which creates challenges for private labels. In addition, retailers have not invested enough in private labels and thus have not been able to persuade consumers about the quality of the private labels (Nielsen, 2014). However, even though the private label penetration significantly differs between continents and countries, it is expected that private labels will become a global phenomenon, due to the modernization of countries and ever-increasing globalization of markets (Cuneo et al., 2015).

Private labels are continuously gaining more and more market share, since they have significantly higher growth rate compared to national brands (Cuneo et al., 2012). Therefore, it is no wonder that private labels are nowadays one of the most important trends in retailing, and they are expected to even further increase their importance and market coverage (Girard et al., 2017; Huang & Huddleston, 2009; Dimitrieska et al., 2017). In addition to business-to-consumer retailing, where they have earned a stable foothold and are enjoying continuously improving consumer perceptions, private labels are also spreading out to other industries and are especially gaining importance in business-to-business transactions (Sayman & Raju, 2007; Tomas Gomez-Arias & Bello-Acebron, 2008).

2.2.2 The role of Private Labels

From consumers' point of view, previously the most important and in some cases only advantage private labels offered was its price advantage (Huang & Huddleston, 2009). However, retailers soon realized that high quality of the product was much more important for customers than just the price of the product (ibid). Thus, the private label industry in retailing have had a strong development during last decades: they have shifted their image from being a low-cost, low-quality national brand substitute to an actual brand, offering equivalent quality than national brands, but at cheaper price (Huang & Huddleston, 2009; Cuneo et al., 2015).

From retailers' point of view, private labels have been seen as a way to differentiate the retailers from each other (Kumar & Steenkamp, 2007; Anselmsson et al., 2008). Moreover, private labels have been used as a strategy to increase customer loyalty by offering brands that are not sold anywhere else, and as a way to generate higher profits and margins compared to national brands (Dick et al., 1996; Keller, 2013). According to Keller (2013), retailers can have twice as large profit margin in private labels compared to national brands. Nonetheless, as Anselmsson et al. (2007) state, those private label categories retailers that are mostly used by retailers – copycats and generics – are not able to fulfil their intended role to deliver differentiation and increase loyalty among consumers. The only private label category capable of offering those benefits and fulfilling the intended role is premium private label, which is discussed in the next section (Anselmsson et al., 2008; Kumar & Steenkamp, 2007; Huang & Huddleston, 2009).

2.3 Premium Private Labels

2.3.1 Definition

Currently, many private labels are offering objectively even better quality than national brands, and this is especially accurate regarding premium private labels (Rossi et al., 2015). According to Kumar & Steenkamp (2007), premium private labels can be further distinguished into two categories; premium-lite private labels, which attempt to offer the same quality as national brands but at cheaper price; and premium-price private labels, which are higher than leading national brands both in quality and in price (Rossi et al., 2015). The direction of this study is to investigate premium-price private labels, since they are able to provide real innovations and high value-added products to consumers (Tikkanen & Vääriskoski, 2010).

As Cuneo et al. (2012) stated, private labels are having much higher growth compared to national brands. Furthermore, when taking into account all private label categories, premium private labels have been able to grow fastest in terms of market shares, even if they are not yet available in as many product categories compared to more traditional types of private labels (ter Braak et al., (2014). Taking into account the unique positioning and increasing growth of premium private labels, it is important to pay attention to this private label category.

2.3.2 The role of Premium Private Labels

From consumers' point of view, premium private labels provide high value-added products to consumers, using innovative design and offering even higher quality than the national brand competitors (Tikkanen & Vääriskoski, 2010; Huang & Huddleston, 2009). Since a lot of effort has been put in premium private labels in terms of quality and innovation, they are often priced higher than the leading national brand competitors and are sometimes even the most expensive choice in a product category (Kumar & Steenkamp, 2007; ter Braak et al., 2014). To conclude, premium private labels aim to offer the best product possible available in a market for consumers (Kumar & Steenkamp, 2007).

From retailers' point of view, it is wise to invest in premium private labels, since they are capable for differentiating (Anselmsson et al., 2008; Kumar & Steenkamp, 2007). Even though it is important for retailers to offer low-cost private labels for price-sensitive consumers, it is not enough to differentiate one retailer from another and give a reason to a consumer to choose one retailer over another (Kumar & Steenkamp, 2007). Huang & Huddleston (2009) emphasizes the importance of premium private labels even further by arguing that they are the only ones delivering differentiation. Thus, they stated that only premium private labels can be considered as true private label brands (ibid). In order to send a clear message for consumers, retailers often apply words that refer to premium, such as Tesco *Finest* or Pirkka *Parhaat* (Pirkka *Greatest*) in their premium private label brand names (Nenycz-Thiel & Romaniuk, 2010).

During past years, academic research has started slowly but steadily address private labels from branding and brand equity perspective, for example by trying to find out correct dimensions and scales (Cuneo et al., 2012; Girard et al., 2017). However, very little research has addressed premium private labels. Since premium private labels are the fastest growing trend in private label categories, it is essential to investigate this phenomenon further from branding perspective.

2.4 Brand equity

Brand equity can be described as “value added to a product by its brand name” (Yoo & Donthu, 2001: 1). Brand can have either negative or positive customer-based brand equity, depending on if consumers react more or less favorably to a brand than they do to an unnamed product (Keller, 1993). The first brand equity models were created in late 1980s, but still, academics have not agreed on a universally accepted model. However, despite different views of brand equity, academics agree that brand equity is a multi-dimensional construct (Baalbaki & Guzmán, 2016).

Most of the research is based on Aaker’s (1991) and Keller’s (1993) models of brand equity. Even though models are overlapping and mostly including same elements, some differences can be found. Most important differences between models are related to the number of brand equity dimensions and the role of loyalty. Aaker (1991) separates brand equity into four dimensions: brand awareness, perceived quality, brand associations and brand loyalty, where loyalty is viewed as one dimension of brand equity. Keller (1993), divides brand equity into two dimensions, brand awareness and brand image, and views loyalty as a consequence of a strong brand. However, perhaps Aaker’s model of brand equity has been more used in academic research, such as in studies conducted by Pappu et al. (2005), Anselmsson et al. (2007), Yoo & Donthu (2001) and Girard et al. (2017). Therefore, the literature review in this study adapts Aaker’s (1993) dimensions of brand equity as the direction of dimensions of brand equity.

Usually, there are two main motives to study brand equity. The first one is a financially based motive, which tries to estimate the value of the brand in monetary terms for example for accounting purposes. The second motive is based on consumers' perceptions, and the goal is to adjust marketing more efficiently (Keller, 1993). The latter one is often referred as customer-based brand equity, which can be described as "the differential effect of brand knowledge on consumer response to the marketing of the brand" (Keller, 1993: 2).

According to Keller (1993), when consumers are aware of the brand and hold favorable, unique and strong associations of the brand, customer-based brand equity occurs. Customer-based brand equity is important since consumers decide how much worth they believe a specific brand owns: for example, if the brand is overpriced, it will lose market share since consumers do not receive enough value for the money (Anselmsson et al., 2007). Ultimately, brands are what consumers perceive them to be (Baalbaki & Guzmán, 2016). Due to the increased importance and growth of private label brands, retailers have started to manage private labels the same way as their national brand competitors manage their own brands (Girard et al., 2017). Thus, more research regarding private labels and their brand equity is needed (ibid).

2.4.1 Private Label Brand Equity

Even though a lot of research has been conducted regarding private labels, very few have approached the topic using branding and brand equity perspective (Cuneo et al., 2012). According to Cuneo et al. (2012), majority of research have previously considered private labels as unbranded alternatives, only appealing to those consumers who want to buy the cheapest option, thus judging private labels being incapable of building brand equity. However, current studies conducted by Cuneo et al. (2012), Calvo-Porral & Lévy-Mangin (2014), Jara et al. (2012) and Girard et al. (2017) have proved that private labels undeniably have been able to create brand equity during their evolution.

Nevertheless, even if it has been proved that private labels have brand equity, very little research regarding private labels' brand equity dimensions or measurement have been made in academic research. Private label brand equity scale created by Girard et al. (2017) can be seen as a pioneer in the field of private label brand equity. However, any qualitative research was not conducted regarding the dimensions of the scale, which raises a question if the study was missing some important dimensions or including irrelevant dimensions from consumers' perspective.

2.4.2 Brand Awareness

Brand awareness "refers to the strength of a brand's presence in consumers' minds" (Pappu et al., 2005: 145). According to both Aaker (1996) and Keller (1993), brand awareness is an important dimension of brand equity, and it can affect perceptions and attitudes the consumer holds towards a brand. According to Keller (2013), brand awareness is consisted of two elements: brand recognition and brand recall. Brand recognition is a consumer's ability to recognize a brand (ibid). Brand recall occurs when the consumer is able to retrieve the brand from a memory when given for example a specific product category or need that should be fulfilled. (Keller, 1993).

Anselmsson et al. (2007) emphasized the importance of brand awareness in low-involvement product categories, such as grocery products, where a consumer does not do lot of research when making purchase decisions. This is also supported by Keller (2013), who emphasizes that in low-involvement decisions, brand awareness is especially important since consumers are basing their choices on familiarity. In a low-involvement product category, even the minimum level of brand awareness may be enough for a product choice (Keller, 1993). In addition, a study conducted by Richardson et al. (1996) revealed that familiarity with the brand was the key factor for private labels' success since it increased the consumers perceptions of private labels and decreased the perceived risk. Even though the study is early work of private labels, awareness can still be concluded to be crucial for private labels.

Even though premium private labels are sometimes even the most expensive choice within a product category, grocery products are still included in low-involvement categories (Anselmsson et al., 2007; Keller, 1993, 2013). Since the object of this study is to investigate premium private labels in retailing, it can be concluded that they belong to a low-involvement decision category, and brand awareness is especially important for premium private labels.

2.4.3 Perceived Quality

Quality can be described as "the consumer's judgement about a product's overall excellence or superiority (Zeithaml, 1988: 3). In other words, perceived quality is not an objective concept: instead, it is a consumer's subjective assessment of the quality of a product (Zeithaml, 1988). Perceived quality is one of the most important dimensions of brand equity, supported by both Keller (1993) and Aaker (1996). Even though high objective quality is also positive for a brand, it does not necessarily have a strong impact on customer's perceived quality (Anselmsson et al., 2007). Because consumers are not able to objectively and correctly judge the quality of a product, they use cues when assessing the quality of a product (Richardson et al., 1994). Thus, it is crucial from the point of brand equity to understand which quality cues are most important for a consumer when evaluating quality. In academic research, it is widely accepted way is to distinguish cues into two categories: extrinsic and intrinsic cues. Extrinsic cues can be defined as the cues which are not part of the product itself, such as price, name or packaging, whereas intrinsic cues are related to the product itself, such as ingredients. (Richardson et al., 1994).

Evaluations of private label products are mainly driven by extrinsic cues rather than intrinsic cues (Richardson et al., 1994). Prior studies have found specific intrinsic and extrinsic attributes regarding private labels. According to Dick et al. (1996), the most important intrinsic attributes were overall quality, ingredients and taste. Most important extrinsic cues were brand name, price level, packaging and advertising (ibid). However, even though data found by Dick et al. (1996) is still widely referenced today, it is reasonable to assume that due to development of private labels and the overall technological development and globalization in the world, these cues may be different today. In addition, it is safe to assume that for premium products the most important extrinsic and intrinsic cues may be different compared to traditional private labels, since a more present study conducted by (Nenycz-Thiel & Romaniuk (2010) found that differences exist between attributes consumers link to premium private labels compared to traditional private labels.

2.4.4 Brand Associations

Associations are also considered as an important component of brand equity, which is emphasized both by Keller (1993) and Aaker (1991). According to Keller (1993), brand associations should be favorable, strong and unique, as they “are believed to contain the meaning of the brand for consumers” (Keller, 1993: 3). Even though there exists wide range of sources where possible brand associations can be derived from, two most important types of associations influencing brand equity are brand personality and organizational associations (Aaker, 1991). Uniqueness is a strongly emphasized aspect of brand associations both by Keller (1993) and Aaker (1991), and it was found to be the most important dimension in Anselmsson et al. (2007) study concerning grocery products. However, even if brand associations are important for brand equity, it is not clear what those associations actually are (Anselmsson et al., 2007).

2.4.5 Brand Loyalty

Although both Aaker (1991) and Keller (1993) mention brand loyalty as a part of brand equity, differences occur how they view the role of brand loyalty. Brand loyalty can be defined as “the attachment that a customer has to a brand” (Aaker, 1991: 39), or consumers’ tendency to be loyal to some brand by intending to purchase the brand as their first choice (Yoo & Donthu, 2001). Brand elements that have an effect on consumers’ perception towards brand loyalty are trustworthiness, honesty, likeability, comfortability and dependability of a brand (Baalbaki & Guzmán, 2016). Brand loyalty can be further distinguished into two elements: behavioral and attitudinal loyalty. Behavioral loyalty refers to consumer’s actual behavior, purchasing a specific brand, whereas attitudinal refers to customer's intention to be loyal to a brand (Pappu et al., 2005). When investigating brand equity, attention is not paid on actual purchasing behavior. Thus, it is important to include attitudinal loyalty in brand loyalty.

Even though private labels have been seen as a tool to create store loyalty, findings of prior studies regarding the relationship between private-label and store loyalty are biased (Dick et al., 1996; Girard et al., 2017). However, since premium private labels are stated to be capable of delivering differentiation, they may have a stronger impact on store loyalty than traditional private labels (Huang & Huddleston, 2009; Kumar & Steenkamp, 2007).

2.4.6 Country of origin of a brand

It is a generally accepted assumption that consumers will respond to a product or a brand more favorably if its country-of-origin image is favorable, which is also the case for food brands (Norjaya et al., 2007; Anselmsson et al., 2007; Anselmsson et al., 2014). However, the country-of-origin of a product is unimportant compared to the country-of-origin of a brand (Thakor & Lavack, 2003).

According to the qualitative, exploratory study conducted by Anselmsson et al. (2007), foreign food products had negative associations. The later study by Anselmsson et al. (2014) confirmed these results using quantitative methods, since home country origin was one of the strongest determinants for price premium. Thus, they stated that geographical closeness and domestic origin were perceived positively among consumers (Anselmsson et al., 2007; Anselmsson et al., 2014).

However, when it comes to private labels, opposite results have emerged. According to Cheng et al. (2007), cosmopolitan image of a private label adds value to the brand, and hence the brand may enjoy market price premium. The study revealed that international private labels were perceived to be better in quality compared to local private labels (ibid). International private labels will also have more desirable, inspirational and appealing image with higher prestige than local private labels (ibid). In addition, international private labels can be associated with more sophisticated personalities than local private labels (ibid). This is also supported by a study conducted by Rajat & Chau (2011), which found out that a global brand is perceived to be of better and higher quality since consumers believe that high quality is critical to global acceptance. However, some caution must be taken towards these results, since Cheng et al. (2007) investigated private labels in Taiwan, where private labels are not so popular and well-perceived compared to Western countries. In addition, Rajat & Chau (2011) investigated car brands in their study, which fundamentally differs from food products used in Anselmsson et al. (2007) and Anselmsson et al. (2014) studies. However, since the country of origin associated with the brand can definitely influence brand equity and hence price premium, it is reasonable to include it as the fifth dimension of brand equity (Anselmsson et al., 2007; Anselmsson et al., 2014; Rajat & Chau, 2011; Cheng et el., 2007)

2.4.7 Price Premium as a Measure of Brand Equity

According to Aaker (1996), price premium is the amount of money a customer is willing to pay more for the brand compared to another brand offering similar products. Many sources state that price premium is one of the best, or even the best, single measure of brand equity (Aaker, 1996; Anselmsson et al, 2007; Anselmsson et al., 2014). The rationale behind this idea is the fact that "any driver of brand equity should affect the price premium" (Aaker, 1996: 107). Thus, if the dimension or variable does not have an effect on price premium, it has little value for brand equity. Price premiums can be determined by simply asking, how much more consumers are willing to pay for the brand compared to other brands offering similar products (Anselmsson et al., 2007; Anselmsson et al., 2014). Nevertheless, price premium as a measurement of brand equity has also its issues. Aaker (1996) addresses these issues by stating that when evaluating a brand with many competitors, multiple sets of price-premium are needed. In addition, it is possible to miss important, emerging competitors (ibid).

However, even if price premiums have been seen as one of the best brand equity measure, very little research has focused on investigating this perspective (Anselmsson et al., 2014). Instead, most of the research has focused on why customers choose, prefer and buy, not paying attention why they want to pay more or less (ibid).

It should be emphasized that price premium does not automatically reflect real prices (Anselmsson et al., 2014). Furthermore, price premium is a relative measure, which makes it capable for all types of brands, from the low-cost brands to high-end brands. (ibid).

2.5 Critical views on Brand Equity Research

A lot of research has been made in order to quantify brand equity using different kinds of brand equity dimensions. However, majority of them have used Aaker's (1991) and Keller's (1993) conceptualizations, not taking into account what characteristics of a brand truly are important for consumers (Baalbaki & Guzmán, 2016). In addition, it is important to notice even though Aaker's (1991) and Keller's (1993) models are widely used and referenced today, the research is relatively old. Thus, research may investigate irrelevant brand equity dimensions, and even more likely, fail to include important dimensions (Baalbaki & Guzmán, 2016). Furthermore, according to Anselmsson et al. (2007), general models, such as Aaker's or Keller's models, are not so useful when investigating a specific field of business or product category if we want to gain in-depth understanding.

Even though few qualitative, exploratory research regarding consumer-based brand equity dimensions in specific product categories have been made, results have varied significantly. For example, in a study conducted by Baalbaki & Guzmán (2016), sustainability was heavily emphasized as one of the brand equity dimensions, whereas in a study conducted by Anselmsson et al. (2007), uniqueness was found to be the most important factor for grocery store products. For private labels, some specific models have been created and tested, such as studies conducted by Girard et al. (2007) and Jara & Cliquet (2012). However, these models did not include any qualitative research regarding dimensions of brand equity.

A study conducted by Nenycz-Thiel & Romaniuk (2010) found out that consumers link different attributes to premium private labels compared to the more traditional private labels. Thus, it can be concluded that prior research regarding private labels' brand equity will not be applicable for premium private labels. Therefore, it is important to conduct an explorative, qualitative study to find out brand equity dimensions for premium private labels.

2.6 Conceptual Framework

Figure 1 provides a conceptual framework that illustrates brand equity dimensions for premium private labels using existing knowledge and research conducted by Keller (1993), Aaker (1991, 1996), Baalbaki & Guzmán (2016), Girard et al. (2017), Anselmsson et al. (2007), Cheng et al. (2007), Jara & Cliquet (2012), and Calvo-Porral & Lévy-Mangin (2014). In addition to illustrating the dimensions that have an effect on consumer-based brand equity of premium private labels, Figure 1 also illustrates the interdependencies between different dimensions. Conceptual framework and interdependencies and relationships illustrated in Figure 1 have been derived from the synthesized literature discussed above.

Figure 1: Conceptual Framework (Tikkakoski, 2018).

As explained previously, according to Aaker (1991, 1996), brand equity is consisted of four dimensions: brand loyalty, perceived quality, brand awareness and brand associations. Based on the literature and studies conducted by Anselmsson et al. (2007), Anselmsson et al. (2014) and Cheng et al. (2007), country-of-origin of a brand is added as the fifth dimension of consumer-based brand equity of premium private labels. It is also important to pay attention to the dependency between different dimensions as illustrated in Figure 1. To conclude, dimensions not only affect consumer-based brand equity but also have on an effect on each other, increasing or decreasing the importance and having an effect on perceptions of a specific dimension. Ultimately, brand equity in this study is measured as price premium, and hence all of the dimensions are expected to have an effect on price premium.

3. METHODOLOGY

For this study, a qualitative approach was found to be the most suitable approach for collecting primary data, since it allows a discussion between the interviewees and interviewer which is not limited to specific questions or topics. In order to use quantitative techniques, such as surveys, the phenomenon which is investigated must be known so that the relevant questions can be asked from participants (Kananen, 2014). Since academics are lacking knowledge regarding premium private labels and their brand equity, it was necessary to use qualitative techniques in this study in order to get relevant data regarding the phenomenon. A qualitative approach is extremely well suitable as a primary data collection method for exploratory studies, which this study can to some extent be regarded of, since it is one of the pioneers trying to explain the phenomenon of premium private labels and its brand equity dimensions (Cooper & Schindler, 2014). Previous research regarding private labels was not found to be applicable for this study, since consumers link different attributes to premium private labels compared to traditional private labels (Nenycz-Thiel & Romaniuk, 2010). In addition, a qualitative approach has been found to be applicable when the relevant brand equity dimensions have been discovered in the previous research conducted by Anselmsson et al. (2007), Baalbaki & Guzmán (2016), Tikkanen & Vääriskoski (2010) and Wang et al. (2008). Thus, the qualitative approach was confirmed to be applicable also for this study.

Qualitative research includes many approaches that are adaptable for exploration, most popular ones being individual depth interviews and focus groups (Cooper & Schindler, 2014). Even though focus groups have some advantages, such as having multiple participants at once and thus saving time and money, it also has its problems. For example, the moderator can unconsciously affect how participants are answering to the questions, or the participants may feel peer pressure, which can have an effect on their answers (Cooper & Schindler, 2014). Therefore, individual interviews were chosen as the data collection method in this study, since it is an excellent way to reveal participants personal opinions and thoughts regarding premium private labels (ibid). Nowadays there are many different methods how interviews can be conducted, for example by using telephones and video-calls. However, since all the interviews are completed in the same city, all the interviews were conducted face-to-face.

Since no clear conceptualization of the topic of this study could be made, it was essential that interviewees were given a possibility to express their ideas and opinions also regarding topics that may not have occurred into the interviewer's mind. Therefore, semi-structured interviews were used in this study. Interviews were structured to some extent in order to gain understanding of dimensions of conceptual framework and topics discussed in the literature review, but also the possibility was given both for an interviewee to express opinions outside the questions as well as for the interviewer to ask additional questions if needed. The interview base can be seen in Appendix 1.

3.1 Data Collection

3.1.1 Primary Data Collection

Interviewees were chosen by asking in a social media group a random set of business school students to participate in the interviews. The sample collected is a quite homogenous student sample studying in Mikkeli, and it represents also at the same time Millennials due to the similar ages of participants (see Table 1). Even though the sample consisting of only students can have some problems, for example regarding the generalizability of findings, use of student sample is an accepted and widely used method in brand equity research, since it has been found to be even more useful than representative samples (Yoo & Donthu, 2001).

Interviews were conducted until a saturation was achieved, which means a situation where no new information is gained by continuing interviews (Koskinen et al., 2005). Therefore, interviews were continuously analyzed after each interview and compared to the previous information in order to find out the point of saturation, as suggested by Koskinen et al. (2005). According to Kananen (2014), saturation is usually achieved by conducting approximately 10 interviews. For this study, saturation was achieved after eight interviews, since no new, significant insights were gained.

The questions of semi-structured, in-depth interviews were based on the literature review, conceptual framework and previous qualitative brand equity research conducted by Anselmsson et al. (2007), Baalbaki & Guzmán (2016), Tikkanen & Vääriskoski (2010) and Wang et al. (2008). The projective technique chosen was a free association task, which is in line with suggestions from Keller (1993) and Supphellen (2000). In addition, suggestions regarding the structure of qualitative interview both from Koskinen et al. (2005) and Alasuutari (2007) were used as a direction when the questions were formed. In order to gain more in-depth information, interviews varied a bit according to answers given by interviewees, for example if additional questions were asked by the interviewer.

It is important to notice that even if all the interviews were conducted in Mikkeli, Finland, and all the participants lived there, altogether seven out of eight of the interviewees that participated in this study had lived their childhood in the Greater Helsinki area, and five out of eight participants were coming from the Helsinki Capital Region. Thus, it can be expected that it has effects on this study. For example, since Stockmann has only few grocery stores in Finland, most of them located in the Greater Helsinki area, it is reasonable to assume that interviewees had better knowledge regarding one of the premium private label displayed, Stockmann Gourmet, and were also exposed to the brand more often compared to people living in areas where Stockmann is not present.

Interviewee	**Age**	**Gender**	**Occupation**	**Citizenship**
#1	20	Female	Student	Finland
#2	21	Female	Student	Finland
#3	27	Female	Student/ part-time worker	Finland
#4	21	Female	Student	Finland
#5	20	Female	Student/ part-time worker	Finland
#6	22	Female	Student	Finland
#7	22	Male	Student	Finland
#8	24	Male	Student	Finland

Table 1: Demographics of Interviewees.

3.1.2 Interview Process

The interviews were conducted in interviewees' apartments or in school premises, depending on which was the most suitable way for the interviewees. First, interviewees were informed about the anonymousness and confidentiality of their responses, and they were informed that the interview would last approximately 20-30 minutes. In addition, a permission to use data in this study and also to share data with S-Group and Kesko were asked. In the beginning of each interview, all the respondents were given the same definition of private labels and premium private labels to ensure that their understanding of the issue would be equal. All the interviews were recorded with the permission of the interviewees, and the language used was Finnish since the mother language of all of the participants was Finnish, which helped them to describe their associations and answer to the questions. The interview base can be seen in Appendix 1.

After the questions related to purchasing motivations of private labels, premium private labels and the perceptions of importance of country of origin were asked, the brand awareness of interviewees was investigated by asking interviewees to name as many premium private labels as they know. After that, photos of premium private labels sold in Finland were displayed to interviewees, helping them to share associations regarding those brands. The brands displayed were grouped according to the origin of the brand when doing interviews: when interviewees were asked about local premium private labels, interviewees were able to see logos from Stockmann Gourmet and Pirkka Parhaat, whereas regarding international premium private labels, logos from Tesco Finest and Deluxe were displayed (see Figure 2).

However, since the associations related to international and local premium private label differed strongly according to the store image, brands used in this study were narrowed down to be specific examples of international and local premium private labels after the questions related to brand awareness were asked. The order of the photos displayed, and brands used in relation to questions can be seen in Appendix 3. In this study, Pirkka Parhaat was chosen as a representative of local premium private label, whereas Tesco Finest was a representative of international premium private label. The brands chosen were found to be most relevant examples of the categories since S-Group and Kesko, which are the retailers selling those brands, together hold 83,4% share of Finnish grocery retailing (Finnish Grocery Trade Association PTY, 2017). In addition, Pirkka Parhaat and Tesco Finest were both top-of-the-mind mentioned brands by the interviewees, which ensured their suitableness to be representatives of local and international premium private labels.

3.2 Data analysis

After the interviews were conducted, the data was transcribed interview by interview by an interviewer into Finnish. Then, the data was translated into English by the interviewer and coded according to themes of theoretical background and questions asked in interviews (see Appendix 1). Due to the lack of resources available, no professional or third person was used when the data was translated from Finnish into English, and therefore the interviews were translated by the interviewer. However, when translating narratives, respondent validation was used. Narrative accuracy was checked by the interviewees who had originally stated the argument in Finnish to make sure the narrative was accurately translated.

After the data was coded according to the themes of theoretical background and interview questions, it was further coded to the smaller sections by dividing interviewees' responses according to the country of origin of a premium private label they were speaking of, thus dividing responses belonging to either international or local category of a premium private label. By using this tactic, effects of country-of-origin of a brand were easy to find by comparing the responses given by interviewees. The data was further divided into tables, which enabled that the comparison between international and local premium private labels was easy to make. An example of a table can be seen in Figure 3. In addition, words that were most frequently used by interviewees (such as 'safety' regarding Finnishness) were bolded to help interviewer to code the most important words and associations related premium private label brands.

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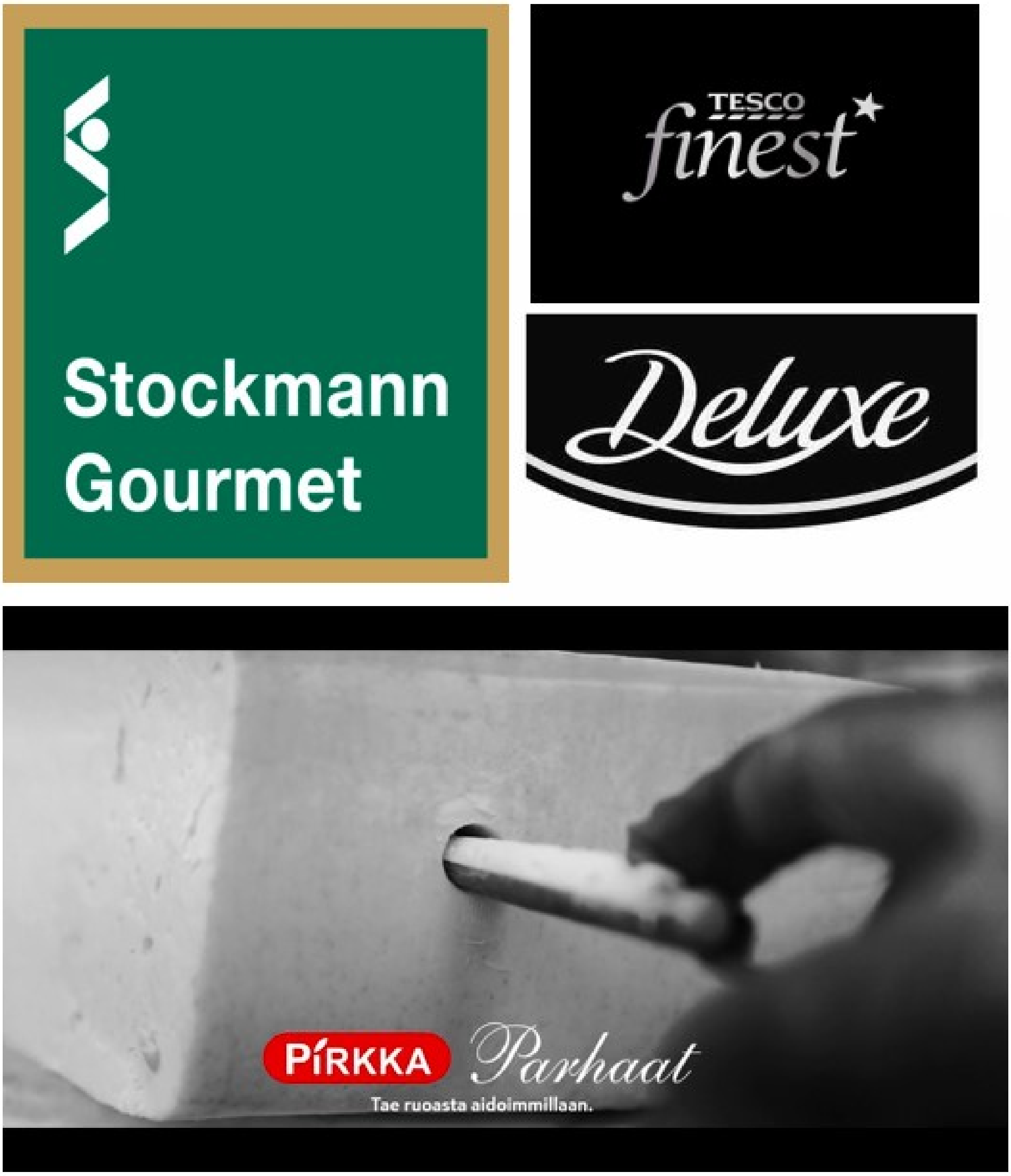

Figure 2: Logos of Premium Private Labels in Finland. (Stockmann Gourmet (Markify, 2017); Tesco Finest (Mike Willows, 2017); Deluxe (Lidl, 2018); Pirkka Parhaat (K-Ruoka, 2017)).

4. FINDINGS

This section of this study presents the findings from the qualitative primary data collection. First, this section explains consumers' overall motives to purchase private labels and premium private labels. Then, interviewees' perceptions regarding the importance of country-of-origin of a brand are explained. Next, perceptions of international and local premium private labels as well as the possible differences between perceptions are presented in terms of brand equity. Lastly, price premium determinants both for international premium private labels as well as for local premium private labels are explained.

4.1 Consumers' motivations to purchase Private Labels and Premium Private Labels

In the beginning of each interview, interviewees were asked to freely describe their purchasing behaviour and motives to buy both private labels as well as premium private labels. Most of the interviewees said that they purchase private labels, and their motive was in most cases based on the fact that private labels are cheaper compared to national brands, still offering equivalent and acceptable quality. In addition, interviewees were familiar and had previous experience of the private labels, which increased their trust towards private labels. A wide selection of private label products available also increased interviewees' purchasing intentions towards these brands. Interviewees that were not willing to purchase private labels described private labels to be unappealing and cheap-looking brands, which they would only purchase in situations when there are no other options available.

Regarding premium private labels, interviewees' purchasing motivations were based on different things compared to their purchasing motivations regarding private labels. Interviewees' motivations to purchase premium private labels were in most cases based on interest toward the appeal-looking brands, the willingness to try something new and exotic as well as good previous experiences.

> *"I buy those for fun, I want to try something new." (#1)*

"I buy their brands, because I already have good experiences using them." (#3)
"I buy Tesco, because I have been interested in it since it is a new brand in Finland." (#6)

Unwillingness to purchase premium private labels were in this study found to be a result of a small assortment of premium private labels in Finland, since those interviewees stated that the selection of premium private labels available is not matching their requirements. In addition, interviewees stated that the price of premium private labels should be cheaper compared to national brands, and if it was equivalent or more expensive compared to national brands, they'd be willing to choose a national brand option instead.

"I usually don't buy from premium private brands. I tend to buy the same generic products and feel that the premium private brands wouldn't have much more to offer. I feel that it is sometimes hard to even find the premium private labels in the stores." (#7)

4.2 Importance of country of origin of a brand

After questions related to private labels and premium private labels were asked, interviewees were asked to explain their thoughts and importance about country of origin of a brand in grocery shopping. Overall interviewees stated that they prefer Finnish brands and products especially in categories such as vegetables, dairy products and meat, and if they would have two similar products, they would be willing to pay more and choose the option that has Finnish origins. Finnishness as a word was strongly related to associations such as freshness, cleanliness, safety and trust toward the local brand and its products. The Finnish origin of a brand was also linked with the quality, as one interviewee stated:

"If it is a Finnish brand, I have some kind of a connection that it is also of better quality." (#4)

However, the country of origin of a brand was not the most important thing, even though one determinant for price premium, since also the overall quality and taste of the product were important for the interviewees. In addition, in product categories that are not so much emphasized by freshness of the product, Finland as a country of origin was not perceived to be as important.

> *"Country of origin matters, and it is especially important in product categories such as meat and dairy products, they have to be from Finland for me. But, it is not as important in products that are less fresh such as pesto and some fruits, then it is important that they're produced in countries that have the best resources to produce them."* (#3)

4.3 Perceptions of International and Local Premium Private Labels

After the questions related to brand awareness were asked, the pictures of brands were narrowed down to be specific examples of local and international premium private label categories. In this study, the local premium private label representative was Pirkka Parhaat and the international premium private label representative was Tesco Finest. The order of the photos displayed in relation to questions can be seen in Appendix 3.

4.3.1 Brand Awareness

Before displaying photos of premium private labels (see Figure 2), interviewees were asked to name premium private labels that first come to their mind. Both Tesco Finest and Pirkka Parhaat were mentioned equally as top-of-mind brands when speaking of premium private labels: both were mentioned three times as interviewees' first choice. Most of the interviewees remembered having seen products from premium private labels only in stores, but regarding Pirkka Parhaat and Lidl's Deluxe, they also remembered having seen commercials. In addition, it was found to be important how the premium private label products are displayed in the store, since it affects the level of awareness in the minds of interviewees.

> *"Stockmann Gourmet is the one that has a very clear presence in Herkku." (#2)*
> *"Tesco has clearly distinguishable stands in S-Group's stores." (#4)*

When interviewees were asked to name specific products from premium private labels, Tesco Finest was the strongest brand in terms of products mentioned, since all of the interviewees remembered that tea and cookies belonged to the product range of Tesco Finest. Regarding Pirkka Parhaat, the knowledge was not as strong compared to Tesco Finest, and some specific products, such as balsamic sauce and avocado, were mentioned instead of broader product categories. Lidl's Deluxe and Stockmann Gourmet gained similar results as Pirkka Parhaat, since interviewees remembered specific products such as peanuts and cold cuts to be products of Lidl's Deluxe whereas Stockmann Gourmet was strongly associated with coffee and jams.

4.3.2 Perceived Quality

To help interviewees to describe the quality of the products, they were given three similar products from the local premium private label Pirkka Parhaat as well as from the international premium private label Tesco Finest. These products included acacia honey, raspberry jam and olive oil (See Appendix 2).

As stated by Richardson et al. (1994), interviewees first paid attention to different extrinsic cues such as package material, labels, and colours of the products, which they used as cues when assessing quality. Adjectives that interviewees mentioned regarding Tesco Finest's products were mostly focused on words such stylish, sophisticated and fancy, which also referred to the good quality of the brand in the minds of interviewees. One of the determinants why interviewees associated Tesco Finest to be high in quality was also the reason that it did not had any familiar Finnish private label sub-brand attached to its name, which would have decreased its attractiveness. Especially interviewees were paying attention to the fonts used, which they found appealing as they were written in a cursive style and looked like handwriting.

The importance of fonts should not be underestimated: as one interviewee stated, fonts are also relevant cues when assessing quality:

> *“Tesco Finest uses a lot of different fonts and kind of plays with the words, the text is very beautiful and interesting, it is a promise of quality of sorts.” (#3)*

Nonetheless, interviewees also found complications due to the font style adapted by Tesco Finest. The complexity of writing forced interviewees to take a closer look at the product, and some of them were also confused about the amount of details attached to the label. They also believed that it could negatively affect the awareness of a product, since if you cannot easily and quickly read and see what the product is, you might easily miss it when doing grocery shopping.

However, when products from Pirkka Parhaat were displayed to interviewees, opinions were incongruous. All of the interviewees stated that the appearance of Pirkka Parhaat was very simple and plain, but it depended on the interviewee, if it was seen attractive. Interviewees perceived products of Pirkka Parhaat to be more of basic, and the simple label and the use of plastic in their packaging decreased the feeling of quality. The use of red Pirkka -trademark in the label was one of the strongest factor affecting negatively to interviewees’ perceptions of Pirkka Parhaat as a premium brand, since it was easily recognizable when looking at the label and referred to the cheap Pirkka-private label. Some of the interviewees also stated that they would easily miss the ‘Parhaat’ sub-brand, since all the focus goes on the red Pirkka-private label trademark.

Even though Tesco Finest was found to be more appealing in terms of extrinsic cues such as its appearance, the interviewees overall thought that the intrinsic quality would be better in Pirkka Parhaat. Whereas Tesco’s food was described using words such “more prestigious food”, the simplicity of Pirkka Parhaat got interviewees to feel that the focus is on the product itself instead of packaging, and thus the quality of the product would be high. Most used adjectives regarding the perceived quality of premium private labels can be seen in Figure 3.

Local Premium Private Label (Pirkka Parhaat)	International Premium Private Label (Tesco Finest)
- Very simple - Tastes good - Product itself is high in quality - Focus is on product not packaging - Basic food - Everyday life - Safe choice, you know it is good	- Good fonts used (cursive, handwriting) - Stylish - Fancy - Hard to recognize what the product actually is - Distant in some way - Sophisticated

Figure 3: Most used adjectives regarding the perceived quality of premium private labels.

4.3.3 Brand Associations

Overall, the interviewees did not associate any of the premium private labels displayed to belong to the category of real premium or being better than national brands, and therefore thought that also the price of premium private labels should be cheaper compared to leading national brands. One of the strongest reason was the fact that premium private labels used private label or store names in their labels, which decreased the feeling of quality and premium of the brand. Interviewees did not associate premium private labels to offer the best possible quality, but instead they thought they would be better than the ordinary private labels.

> *"Because Pirkka for example, even if it is "Parhaat", for me it is somehow still lower in terms of quality than the products that are not owned by retailers." (#1)*
> *"Quality is better but not the best one because all these products carry the private label name with them, but they're one stage up from their basic private label products." (#6)*

However, Stockmann Gourmet was an exception since the interviewees felt that the store image and the brand itself are strongly associated with the quality and premium, and that feeling is also transferred into their premium private labels by Stockmann's name. Nevertheless, one of the interviewees mentioned that since Stockmann Herkku (a grocery store part of Stockmann) was bought by S-Group, the association with quality and premium is not as strong anymore.

> *“Stockmann is probably on a level of their own, but when it joined S-Group, it isn’t anymore.” (#1)*

Overall, interviewees thought that both the quality and price of the premium private labels would be relatively high in all premium private label brands mentioned. When interviewees were asked to share their thoughts about international and local premium private labels, local premium private labels such as Pirkka Parhaat were strongly associated with Finnishness, which led to associations such as high quality, safety and clean ingredients. No such coherent set of associations were mentioned regarding international premium private labels. Local premium private labels such as Pirkka Parhaat were also strongly associated to belong to everyday life, whereas international premium private labels such as Tesco Finest were found to be more special and used mainly in special occasions.

When interviewees were asked to identify a typical user of premium private labels, a clear trend between associations was easy to discover. Most of the interviewees identified a typical user of a local premium private label Pirkka Parhaat to be a bit older and ordinary Finnish person, who has family, and already is a loyal shopper of Pirkka. They stated that the person would have quite good income, since she would be able to buy more premium-type, expensive food. However, some interviewees did not agree that the person would have high income, and instead mentioned that the typical user could be a student who do not have that much money to spend on groceries. Interviewees also thought that the typical user of local premium private label would not be consciously searching for brands that have premium image attached, but instead searching for brands and products that are high in quality, well produced and have Finnish origins.

When interviewees were asked to identify a typical user of an international premium private label Tesco Finest, a word “adventurous” was widely used in their responses. Interviewees also thought that the typical consumer would be rather young woman, and she would be willing to buy something new, exotic and funny products. Some type of high-class associations were also linked to Tesco Finest's products, since interviewees thought that the person who would use Stockmann's private labels could also use Tesco Finest's products. A typical consumer of Tesco Finest was also identified to be a person who knows about food and how to cook, is familiar with the brand and have some kind of international background.

Even though all of the interviewees associated products to belong to situations where some kind of social aspect and luxury is present, differences were clearly present. A local premium private label Pirkka Parhaat was associated to be consumed either privately or with a family, whereas the international premium private label Tesco Finest was more often referred to be consumed in situations where products are consumed with friends.

> *"Pirkka Parhaat is somehow reminding me of family whereas I'd see myself using Tesco with friends." (#4)*

Lastly, interviewees were asked to describe the personality of a brand. A local premium private label Pirkka Parhaat was considered to be a friendly, warm, easy-to-approach and family-focused type of person, who has few kids and is an ordinary Finnish person. An international premium private label, on the other hand, was referred to be a planned, self-assertive, adventurous and cultural type of person, even having bit cold and clinic associations. Some of the interviewees mentioned that because Pirkka Parhaat carries the familiar Finnish private label "Pirkka" with its name, it is easy-to-approach as a brand. In addition, the language used in labels had an effect, as one interviewee states:

> *"Finnish as a language is familiar and ordinary while English is exotic." (#3)*

More distant brand image held by Tesco Finest was explained by the interviewees to be a result of the fact that the brand is very new in Finland, so no long-lasting relationships have been created. In addition, a foreign origin of a brand makes it harder to understand the brand as a consumer and to be aware where the ingredients or production are coming from, which increased the distant picture of the brand. The use of English in labels was also seen as a factor that made the brand more distant even if it increased the exotic image of a brand.

4.3.4 Brand Loyalty

When interviewees were asked about their loyalty toward premium private labels, they did not associate themselves to be especially loyal to either international or local premium private labels and described their purchasing to be occasional. However, a familiarity, country of origin, store and availability were identified as the key factors that determined the loyalty.

Overall, interviewees felt they were more loyal to a local premium private label Pirkka Parhaat, because they were familiar with the brand, the brand has Finnish origins and the products are easily available everywhere in Finland, since Kesko has a wide range of stores in Finland. Some of the interviewees also told that they have better relationship with Pirkka -brand and some specific favourite Pirkka products, and therefore they would prefer also the premium sub-brand Pirkka Parhaat over other options.

> *"I'd be more loyal to Pirkka because it is a domestic brand and also because Tesco Finest is so new that I do not have a strong relationship with it, even if I've tried their products." (#5)*

Interviewees that associated themselves to be more loyal to Tesco Finest stated that the most important factors behind their loyalty were positive images associated with the brand as well as the fact that they were sold only in S-Group's stores, which were preferred over Kesko's stores by some of the interviewees.

Interviewees were also asked about the overall effect of Kesko and S-Group, if stores and their loyalty programs have an effect on their shopping behaviour. Almost all the interviewees stated that the most important factor regarding their choice of the store is location, and they preferred the closest one even if they said they would be loyal to other retailer. Since none of the interviewees purchased food online, the location of the store was found to be the most important factor for their store loyalty. Some interviewees also emphasized the importance of collecting loyalty points, and if their loyalty cards were synthesized with other family members, they preferred those stores over others when both stores were equally available. Due to the extremely centralized grocery trade in Finland, most of the Finns are members of Kesko's and S-Group's loyalty programs, and by centralizing their grocery shopping to either of these retailers they can get money back from their purchases. Therefore, the effect of a loyalty towards the retailer can be assumed to be rather significant in Finland compared to other countries.

4.3.5 Country of origin of a brand

Overall, interviewees stated that they would pay more for brands that have some kind of Finnish origin, since they believed that the products from local brands are more safe, reliable, clean and familiar. In addition, by purchasing brands that have Finnish origins, they would also be supporting Finnish entrepreneurs and producers, which was also mentioned as an important factor. However, Finnishness was not the most important factor when purchasing products: for example, the taste of the product was found to be more important by interviewees.

Interviewees were also asked to share their associations regarding country of origin of Tesco Finest (the United Kingdom) and Pirkka Parhaat (Finland) in order to see if differences would appear. The associations regarding those countries can be seen in Table 2.

Local Premium Private Label (Pirkka Parhaat)	**International Premium Private Label (Tesco Finest)**
”Products are more clean, more attention is paid on production and what kinds of ingredients goes on those products, in Finland we have more strict requirements.” (#1) *“Trust, I prefer Finnish products, they’re high in safety and cleanliness.” (#2)* *“The Finnish origin guarantees some kind of quality, but the quality is based on product, not the brand.” (#3)* *“It is good to buy it and support local production.” (#4)* *“Everyday products, have some kind of cozy feeling attached. Finnishness belongs more to everyday life and basic stuff.” (#5)* *“Finns are responsible.” (#6)* *“Older Finnish people.” (#7)* *“Feeling of safety.” (#8)*	*“This brings positive images because it has quite good image in my eyes, even though products from Finland are more safe.” (#1)* *”I don’t like British food culture so I’m a bit suspicious if it is good.” (#2)* *“Knowing the British food culture, Tesco Finest is a bit repulsive to me, I don’t care for English cuisine.” (#3)* *“It is more exotic.” (#4)* *“Some kind of flaunting, I’ve visited the U.K. when I’ve been on holiday so it creates a different mental image, more fancier and cultural feeling, something new and different.” (#5)* *“The U.K. is one of my favorite countries, it is safe and they’re precise when it comes to quality, they also know lot about food even if they are not known about their cuisine.” (#6)* *“U.K. is not a country known to have good cuisine, they do quite basic stuff.” (#7)* *“I trust in their quality, they have high standards.” (#8)*

Table 2: Interviewees’ associations of country of origin of premium private labels.

When interviewees thought about the United Kingdom, the strongest associations were referred to the British food culture and holidays spent in that country. The British food culture was a thing that shared interviewees’ opinions, since many interviewees stated that they were not fans of British foods, which led to suspicious thoughts regarding

Tesco Finest's products. The other strong association, holidays and trips, was positively associated and increased the value of Tesco Finest. In addition, interviewees that preferred Tesco Finest pointed out that the British people are precise when it comes to quality and they know lot about food since they have a long history with producing food products. The United Kingdom was also referred to be similar to Finland in some way, which emphasized the feeling of safety and quality of the brand.

When interviewees thought about Finland, the strongest associations were related to safety, everyday life, cleanliness, trust, and guarantee of quality. Interviewees believed in the strict control and requirements in Finland, which enhanced the feeling of safety and trust towards the Finnish brands. Finnishness of a brand was seen as some kind of guarantee of quality, but it was based on the product and its ingredients rather than the quality of the brand. Especially regarding grocery products, some of the interviewees were suspicious towards the products coming from the United Kingdom, as one interviewee stated:

> *"Cleanliness, natural, sustainable. I don't associate any of these words with the United Kingdom." (#3)*

Interviewees considered Finnish people to be responsible, and the fact that they were able to know where the products and ingredients come from enhanced the feeling of safety and trust. Overall, interviewees did not attach any fancy or excellent words regarding Finnishness, but instead thought that Finnish brands belonged to everyday life and the products are good even if basic.

4.4 Determinants for Price Premium of Premium Private Labels

Determinants for the price premium of premium private labels were found by displaying pictures of premium private labels available in Finland to interviewees (see Figure 2) and asking them, if all of those brands would be offering a similar product, which one would be the one they would be willing to pay more compared to others and why.

4.4.1 Factors affecting the price premium of International Premium Private Labels

Interviewees that mentioned that they would be willing to pay more for the international premium private label usually emphasized the exotic and new image of brands, which underlined the premium image since the products were clearly distinguished from ordinary, everyday Finnish brands. The country of origin was found to be important since interviewees referred to their holiday trips and memories when assessing the quality of Tesco Finest's products. In addition, the store image was found to be important since differences occurred between two international premium private labels. Lidl's Deluxe was not perceived to carry the same prestigious and sophisticated features as Tesco Finest due to the cheap image of Lidl as a store, which is not delivering premium associations to consumers. Some of the interviewees also mentioned the international background of Tesco to be significant, since Tesco Finest is a successful premium private label brand globally and must therefore have something special or premium attached to it. The attractive appearance of Tesco was also one significant determinant for the price premium.

> *"It reminds me of England, and other foreign countries, good memories from those trips. Tesco seems to be the most expensive one among these brands. I also think Tesco brings some positive associations, because Tesco is not a basic Finnish brand, but on the other hand Lidl's Deluxe, for example, it is related to the shop… Even if Lidl is not a Finnish brand, it has always been lower in quality than any other stores in Finland for me." (#1)*
>
> *"Tesco is a bit different and exotic because it is so new brand in Finland and it also reminds me of foreign countries because I've seen and used Tesco there. It also looks more like a luxury brand." (#4)*
>
> *"I have most experience regarding Tesco, it is the most interesting one" (#6)*
>
> *"Tesco, because it would be an exotic experience" (#7)*

4.4.2 Factors affecting the price premium of Local Premium Private Labels

Interviewees who stated that they would be willing to pay more for local premium private labels usually emphasized the importance of Finnish origin, the knowledge and familiarity with the brands and their products and the wide selection of products available. Especially those interviewees who stated Stockmann Gourmet to be their first choice of premium private labels emphasized the attractive and premium image of the store, which also guaranteed the quality and ensured that also their premium private label products using Stockmann's name are glamorous. Interviewees had also more experience of local premium private labels, which got them to trust more in local brands. Interviewees also stated that it is important for them to know where the ingredients and products are coming from.

> *"I'd pay more for Pirkka Parhaat, because I have more experience of their products and I trust in them more. I also think the quality of their products is better, because it reminds me of Finnishness, and freshness." (#2)*
> *"I like both local brands, because Finnish origin is an important factor why I am willing to pay more and why I don't want to visit Lidl. I don't like global grocery brands and grocery stores." (#3).*
> *"I'd pay more for Stockmann, because the shop is fancy, they've put a lot of effort on service and other things and this image is attached to their own products." (#5)*
> *"Everything you buy from Stockmann is good and high in quality, the price level reflects the quality and taste of the product." (#8*)

5. DISCUSSION AND ANALYSIS

This section provides discussion and analysis regarding the findings from the qualitative research. The structure of this section is based on the conceptual framework presented earlier, which identified determinants for consumer-based brand equity of premium private labels. An updated conceptual framework for premium private labels is presented, which is based both on the literature as well as findings gained from qualitative interviews.

5.1 Brand Equity Framework for Premium Private Labels

Interviewees' perceptions, comments and insights formed the basis of an updated model regarding consumer-based brand equity of premium private labels, in respect of price premium. Interviews revealed that interviewees used the five key determinants discussed in the literature review when assessing the brand equity of premium private labels: brand awareness, perceived quality, brand associations, brand loyalty and country of origin of a brand. However, an additional dimension of brand equity – store image – was found and added to the brand equity framework. According to interviewees, the store image is one of the strongest dimensions determining the brand equity of premium private labels since it has an effect on all of the dimensions. If the store has a good reputation and image, its private labels will also get higher perceptions regarding quality, have more favourable associations, have an increased awareness and loyalty, and also have more favourable country-of-origin associations.

In the Figure 4, the effect of store image has been illustrated by using a light blue colour behind the brand equity dimensions, illustrating the effect of store image as a strong determinant for the price premium and how it also has an effect on other five price premium determinants. In other words, store image is the basis of price premium of premium private labels, and if the store image and premium private label image are conflicted (for example due to the cheap image of a store), it has a negative effect on each of the price premium determinants of premium private labels.

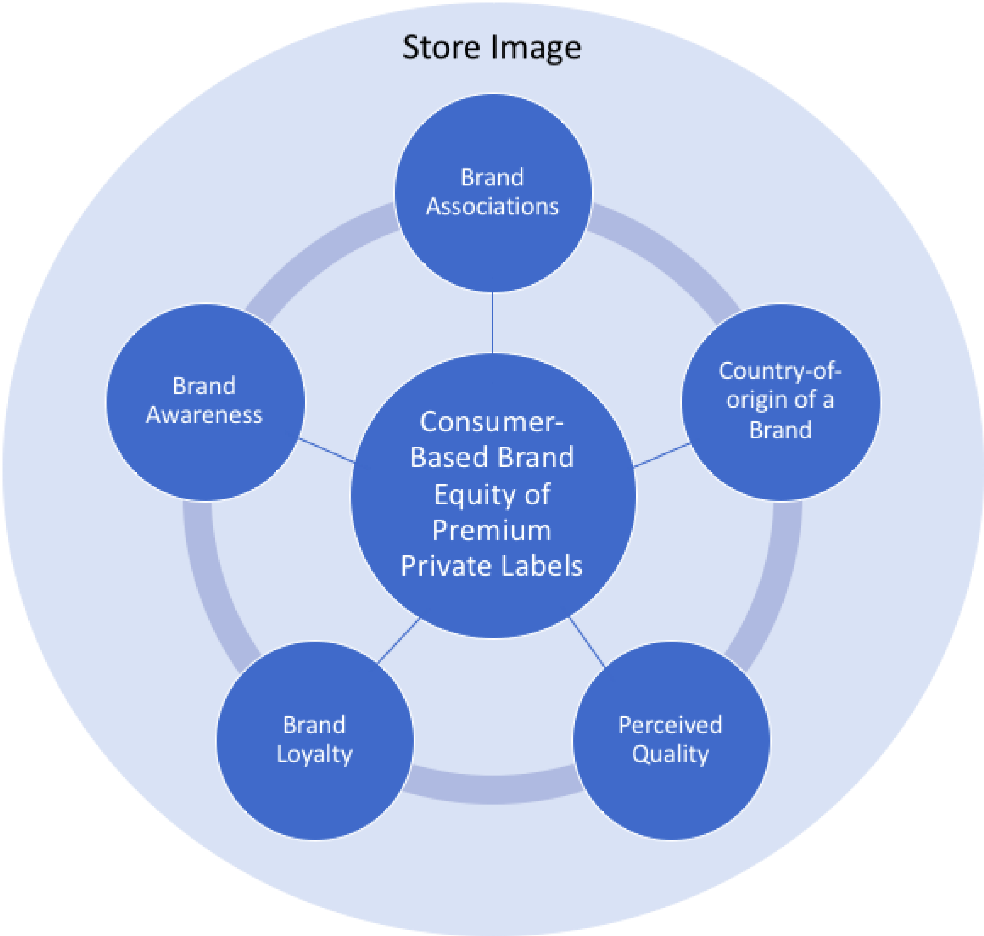

Figure 4: Updated Conceptual Framework (Tikkakoski, 2018).

Results are in line with the previous brand equity research conducted by Girard et al. (2016) and Huang & Huddleston (2009), which also suggested that one of the brand equity dimensions for premium private labels is store image.

5.1.1 Brand Awareness

According to findings from the qualitative research, both local and international premium private labels had quite strong brand presence in the minds of interviewees. However, interviewees clearly articulated that traditional and familiar brands, which were in this study in most cases the local premium private labels, were more trusted and more reliable compared to brands that were not so known, which is in line with the findings from Richardson et al. (1996) and Anselmsson et al. (2007).

In addition, it is meaningful to pay attention to the finding that people were ready to pay price premium for a traditional and well-known brand, even if they would not have had any previous experience of it. Thus, awareness of the brand can have even more complex role than previous research has stated, since the experience regarding products was found to be rather irrelevant. Even if some of the interviewees did not had previous experience of Stockmann Gourmet in this study, they were willing to pay more for it compared to those they had previous experience of, since they perceived the image of Stockmann Gourmet to be superior even if they were lacking personal experience regarding the brand. Thus, it can be stated that the previous experience is not the most important factor regarding brand awareness, and the store image, created through marketing and advertising, can have even bigger impact on brand awareness.

5.1.2 Perceived Quality

One of the key dimensions for brand equity is perceived quality, emphasized both by Aaker (1991, 1996) and Keller (1993). However, perceived quality alone explains only little of the price premium consumers are willing to pay, as stated by Anselmsson et al. (2014), which was also the case in this study: store image, country of origin and familiarity with the brand were more often mentioned and emphasized by interviewees than the perceived quality of the brand and its products.

Since the perceived quality of a brand is a subjective assessment, consumers use different set of cues when assessing the quality of the product. The most important extrinsic cues in this study were related to the brand name, store name, price level of the store and packaging, which only partially applies with the findings from the study conducted by Dick et al. (1996), which also suggested advertising to be one of the most important extrinsic cues. In this study, advertising of premium private labels did not had a significant effect on interviewees' perceptions: even though they remembered some commercials of premium private labels, it did not had an effect on the price they were willing to pay. Most important intrinsic quality attributes stated by interviewees were the taste and overall quality of the product, which was perceived to better in Pirkka Parhaat compared to Tesco Finest even if the appearance of Pirkka Parhaat was not as appealing compared to Tesco Finest. In addition, even if the interviewees associated more sophisticated, cultural and prestigious attributes to Tesco Finest as suggested by Cheng et al. (2007), majority of interviewees still preferred Pirkka Parhaat and perceived the intrinsic quality of Pirkka Parhaat to be better. Even though packaging had an impact on both perceived extrinsic and intrinsic quality as suggested by Zeithaml (1988), it was not the most important attribute for consumers, since they also evaluated the perceived quality of ingredients.

5.1.3 Brand Associations

In order to successfully build customer-based brand equity, a brand has to have a set of associations that are unique, favourable and strong (Keller, 1993). This study found out that interviewees associated unique brand associations for international and local premium private labels, and the congruence between associations was extremely high regarding local premium private labels. Regarding international premium private label Tesco Finest, interviewees shared associations such as new, global and exotic, whereas a local premium private label Pirkka Parhaat was associated to be a familiar, safe, clean and reliable choice.

As Aaker (1991) states, the most important brand associations are related to the brand personality and organizational associations, and the results of this study support those findings. As a personality, Tesco Finest was perceived to be more distant, cold and clinic even though sophisticated, whereas personality traits regarding Pirkka Parhaat were cozier, warm and friendly, often being somehow related to the family. These personality traits mentioned are also connected to organizational associations, since Tesco Finest was mentioned to be more unknown, distant and global company whereas Pirkka Parhaat was representing a traditional, small and familiar brand. The big size of Tesco as an organization had an effect on also Tesco Finest, since the brand was perceived to be more distant and even repulsive by some of the interviewees, whereas Pirkka Parhaat, referring to Finnishness and small size of a company, was easy-to-approach as a brand according to the interviewees.

5.1.4 Brand Loyalty

Overall the interviewees that participated in this study did not considered themselves to be especially loyal to any premium private labels and purchased those mainly in special occasions. However, in terms of five brand elements that have an effect on consumers' perception towards brand loyalty (Anselmsson et al., 2007), both local premium private labels were clearly represented more highly compared to international premium private labels. Finnish origin of a brand clearly increased the perceptions of trustworthiness, honesty, likeability, comfortability and dependability (Anselmsson et al., 2007), whereas the international origin of a brand decreased interviewees' perceptions of those dimensions.

5.1.5 Country of origin of a brand

In this study, the global image of a brand was found to be either positive or negative depending on the respondent. For example, even if some of the interviewees were interested in Tesco because it is a globally successful brand, some of the interviewees did not want to support a global grocery trade and were instead willing to purchase local options. This result is not supporting findings from the study conducted by Cheng et al. (2007), since it found out that the cosmopolitan image of international private label would add brand value, and therefore it would be enjoying price premium. In this study, opposite results emerged, as interviewees perceived local premium private labels to be more reliable, clean and safe options, which added value to them even if the appearance of the products was not as good compared to international premium private labels. Therefore, the results of this study are more in line with findings from a study conducted by Anselmsson et al. (2007) and Anselmsson et al. (2014), which found out that the home country origin (in this case Finnishness) was one attribute that increased the likelihood of a price premium.

5.1.6 Store image

Store image was found to be one of the most important dimensions for premium private labels since the image of the store was transferred also into retailer's premium private labels. This finding is in line with inferred association findings from Keller (1993), who suggested that when the brand becomes identified with other entity, consumers perceive that the brand shares the same associations than this other entity. This was especially true regarding Stockmann Gourmet, since interviewees strongly associated that the premium image of Stockmann as a store was transferred into its own premium private labels also, whereas the cheap image of Lidl conflicted the intended premium image of its premium private labels, leading to a situation that consumers did not associate those products to be of real premium. This result is also in line with the suggestion by Jacoby and Mazursky (1984), who suggested that the private label and retailer images should be associated in the same way: in other words, a retailer who has a premium image should not have a low-quality private labels and a retailer who has a cheap image should carefully consider having a premium private label, since if the store with a cheap image is offering premium brands, congruence is not strong and is rather confusing to consumers.

5.2 Limitations of the Research

This study has several limitations that should be taken into account. First, all the interviewees in this study were business students, and therefore the sample is representing only a small segment of the whole population. If the interviews would have been conducted with a different sample, the results could have been different. Second, even though the sample size reached the point of saturation, generalizable results cannot be provided due to the small sample size and lack of use of quantitative techniques. Third, since the interviews were conducted in Finnish and translated into English, there is a possibility of mistranslation by the interviewer, since no professional or third person was used when interviews were translated. In addition, since the qualitative data analysis is based on interviewer's interpretation rather than objective analysis of numbers, there is a chance of misinterpretation by an interviewer. Finally, interviews were conducted using one projective technique, free association. Even if it is in line with suggestions from Keller (1993), use of more techniques could have led to more reliable and in-depth results.

6. CONCLUSIONS

This section presents the main findings of this study regarding premium private labels. In addition, this section explains the theoretical contributions, managerial implications, implications for international business and suggestions for future research.

6.1 Main Findings

The main findings of this study can be divided into four sections: firstly, how international and local premium private labels were perceived by the interviewees; secondly, what are the brand equity dimensions for premium private labels that determine the price premium of premium private labels; thirdly, what types of effects country of origin of a premium private label has on consumers' perceptions; and lastly, what are the theoretical contributions of this study.

Overall, premium private labels were not associated to be real premium brands by the interviewees and were instead perceived to be better versions of traditional private labels. In this study, interviewees perceived international premium private labels to be an exotic and adventurous choice, which would be used in special, occasional social situations. On the other hand, local premium private labels were perceived to be a safe, clean and reliable choice, not having adventurous or especially luxury characteristics but representing a better everyday product, which would be consumed alone or with a family.

In this study, store image was found to have significant effects on perceptions of premium private labels. Even though some consumers had not tried or used Stockmann Gourmet, they associated it to be of real premium and were willing to pay the price premium of it due to the premium image of Stockmann as a store. Therefore, after the primary research was conducted, an additional brand equity dimension, store image, was added. Thus, according to this study, brand equity dimensions for premium private labels were found to be brand awareness, brand loyalty, perceived quality, store image, country-of-origin, and brand associations.

Even though the study conducted by Cheng et al. (2007) found out that the international image of a private label is one price premium determinant since it creates an aspirational cosmopolitan image of the brand, in this study local premium private labels were clearly preferred over international ones. Since the premium private labels used in this study were grocery store brands, it can be concluded that in grocery trade and food sector, a local origin of a brand (in this study Finnishness) is one price premium determinant for premium private labels, since it enhances consumers' overall perceptions and creates strong, favorable associations such as reliability, trust, safety and cleanliness.

Theoretical contributions of this study are related to the introduction of a conceptual framework regarding consumer-based brand equity of premium private labels, which can be regarded to be one of the pioneers in the field of premium private labels and their brand equity. In addition, this study found out that consumers perceive international and local premium private labels differently, and the country-of-origin had a clear effect on the price consumers were willing to pay for a premium private label.

6.2 Managerial Implications

Managerial implications of this study offer interesting and unique insights about consumers' perceptions of international and local premium private labels, which can be further utilized by managers responsible of premium private labels.

Firstly, according to this study, consumers do not associate premium private labels to be real premium brands, which was usually based on the fact that the premium private label used either the store's name or another private label's name in its label, which decreased the feeling of premium of a brand. Thus, it can be suggested that in order to successfully transfer the feeling of premium to consumers, the brand name of a premium private label should be carefully considered by the managers of premium private labels.

Secondly, consumers strongly preferred local premium private label brands instead of international ones in this study, thus resulting that the local premium private labels were able to enjoy the price premium according to most of the interviewees of this study. The local origin of a brand, in this study Finnishness of a brand, created very strong, favorable associations, such as trust, cleanliness and safety of a product. Finnishness was also strongly associated with the high quality, which was especially referred to an intrinsic quality: a belief that the product by a Finnish brand has a good taste and high-quality ingredients was mentioned multiple times by the interviewees. A familiarity with the brand was also important for the interviewees, since even though some of the interviewees stated that the appearance of the international premium private label was more appealing compared to local one, most of the interviewees were still willing to prefer the local one since they knew the brand and had some previous experience of it. These favorable associations are definitely something that managers of Finnish premium private labels could better utilize in their marketing, both when targeting the Finns as well as when considering expanding into other countries.

An interesting finding of this study was also to find out that even though the good extrinsic quality has been found to be important in grocery shopping according to studies conducted by Richardson et al. (1994) and Dick et al. (1996), if the consumers perceived that the appearance of the brand and its products was too fancy, it decreased interviewees' willingness to purchase product from a brand, since it decreased their perceptions regarding the intrinsic quality, such as taste. Therefore, a positive correlation between the appearance of a product and intrinsic quality of the product was not made in this study. It is also remarkable to notice that even if the respondents of this study were Finnish students, studying in English, many of them preferred seeing Finnish in labels instead of English. Even though some of the interviewees also felt that the use of Finnish decreased the feeling of quality of the product, overall consumers perceived trust, safety, cleanliness and reliability to be the most important factors that determined the price premium they were willing to pay. Thus, it can be concluded that the use of local language in labels will enhance the brand equity of premium private labels. Therefore, by customizing the international premium private labels to better meet the requirements of locals – for example, by using local language and style – better results could be achieved in terms of customer-based brand equity.

Lastly, even though premium private labels have been acknowledged to be important for a store, managers should carefully consider if they should be available in stores in which the reputation is based on cheap prices. This study found out that store image was one of the most important determinant for the price premium, and thus a cheap image of the store is conflicting the intended image of a premium private label, resulting in low brand equity of a premium private label. In this study, this effect was extremely strong regarding Lidl's premium private label Deluxe, which was not considered to be premium due to the cheap image of Lidl as a store. On the contrary, the premium image of Stockmann was clearly transferred into its products by its name, which was the most important reason why most of the interviewees were willing to pay more for Stockmann's premium private label compared to other options.

6.3 Implications for International Business

This research provides a deeper understanding of how country of origin of a brand affects consumers' perceptions of brands, and what types of effects it has on the price premium. The previous research has been lacking knowledge regarding premium private labels and their brand equity and has not distinguished premium private label brands in terms of international and local origin of a brand.

This research found out that even if the globalization in the world has increased significantly during the past decades and the sample of this study was consisted of young, international-minded students, interviewees still preferred and were willing to pay more for premium private labels that have a local country-of-origin, in this study Finnish country-of-origin. Finnishness as a word created strong, congruent associations such as cleanliness, trust, safety and quality, and this effect was not prevalent when international premium private labels were discussed. Thus, it can be concluded that consumer ethnocentrism regarding food products is still relatively strong in Finland, even if the globalization is bringing new brands and products from abroad.

6.4 Suggestions for Future Research

Based on this research, three suggestions for future research are formed. Firstly, future research could benefit from the research conducted in a country that have a wider selection of premium private labels available compared to Finland. Furthermore, another country would be beneficial for research since the retailing is very concentrated in Finland, which may have its implications for this study, for example due to the fact that there is relatively limited amount of premium private labels available in Finland. Secondly, instead of making a student sample and focusing on Millennials, future research could focus on having participants from all consumer-segments, thus increasing the diversity of a sample. Finally, a quantitative research is needed in order to generalize and validate the results of this study.

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APPENDICES

Appendix 1. Semi-structured interview base

1. Do you purchase private labels, why/ why not?
2. Do you purchase premium private labels, why/ why not?
3. How would you describe the importance of the country of origin of a brand in your grocery shopping?
4. Please name all the brands of premium private labels you can think of.
5. Here are pictures of premium private labels. Do you remember having seen these before, and in which occasions?
6. What kinds of thoughts come to your mind about these premium private labels?
7. If all of these brands would be offering a similar kind of product, which one (of these brands) you would be willing to pay more compared to others, and why?
8. Who is the typical user of premium private label?
9. When would you use products from premium private label?
10. If premium private label would be a person, how would you describe she/ he?
11. Are you loyal to some of these private labels, why/ why not?
12. Describe the effect on store regarding your loyalty.
13. How would you describe the quality of these products?
14. What comes to you mind about the country of origin of these premium private labels?
15. Does the country of origin have an effect on the price you are willing to pay for the product?
16. Lastly, do you have something to add regarding these brands and their products that I have not asked?

Translation:

1. Ostatko kauppojen omia merkkejä, miksi/ miksi et?
2. Ostatko kauppojen omia premium merkkejä, miksi/ miksi et?
3. Miten kuvailisit brändin alkuperämaan tärkeyttä päivittäistavaraostoksissasi?
4. Nimeä kaikki kaupan omat premium merkit, jotka tiedät.
5. Tässä on kuvia kauppojen omien premium -merkkien logoista. Muistatko nähneesi näitä aikaisemmin, missä?
6. Mitä ajatuksia sinulle tulee mieleen näistä kaupan omista merkeistä?
7. Mikäli kaikki nämä brändit tarjoaisivat samanlaista tuotetta, minkä brändin tuotteesta olisit valmis maksamaan enemmän muihin verrattuna?
8. Minkälainen on tyypillinen kaupan omien premium merkkien käyttäjä?
9. Milloin voisit ajatella käyttäväsi kauppojen omien premium merkkien tuotteita?
10. Mikäli kaupan oma merkki olisi ihminen, minkälainen ihminen hän olisi?
11. Oletko lojaali jollekin näistä kaupan omista merkeistä, miksi/ miksi et?
12. Kuvaile kaupan vaikutusta lojaaliuteesi.
13. Miten kuvailisit näiden tuotteiden laatua?
14. Mitä tulee mieleesi näiden kauppojen omien merkkien alkuperämaasta?
15. Onko alkuperämaalla vaikutusta hintaan, jonka olet valmis maksamaan tuotteesta, miksi/ miksi ei?
16. Viimeiseksi, onko sinulla jotakin lisättävää näitä brändejä ja/ tai tuotteita kohtaan, jota en ole kysynyt?

Appendix 2. Products displayed to interviewees.

Figure 5: Products from a local premium private label Pirkka Parhaat. (K-Ruoka, 2018).

Figure 6: Products from an international premium private label Tesco Finest. (Tesco, 2018).

Appendix 3. The use of pictures in relation to questions in this study.

No photos of premium private labels available for interviewees during these questions:

1. Do you purchase private labels, why/ why not?

2. Do you purchase premium private labels, why/ why not?

3. How would you describe the importance of the country of origin of a brand in your grocery shopping?

4. Please name all the brands of premium private labels you can think of.

Photos of premium private labels available in Finland displayed to interviewees during the following questions (see Figure 2):

5. Here are pictures of premium private labels. Do you remember having seen these before, and in which occasions?

6. What kinds of thoughts come to your mind about these premium private labels?

7. If all of these brands would be offering a similar kind of product, which one (of these brands) you would be willing to pay more compared to others, and why?

Premium private labels available in Finland narrowed down to be examples of local and international premium private labels (Tesco and Pirkka Parhaat), products from these brands displayed to interviewees (see Appendix 2):

8. Who is the typical user of premium private label?

9. When would you use products from premium private label?

10. If premium private label would be a person, how would you describe she/ he?

11. Are you loyal to some of these private labels, why/ why not?

12. Describe the effect on store regarding your loyalty.

13. How would you describe the quality of these products?

14. What comes to you mind about the country of origin of these premium private labels?

15. Does the country of origin have an effect on the price you are willing to pay for the product?

16. Lastly, do you have something to add regarding these brands and their products that I have not asked?